

# Debtors' Ex. 147



**November 12, 2021**

**FINANCIAL OVERSIGHT AND MANAGEMENT BOARD FOR PUERTO RICO**

**UNANIMOUS WRITTEN CONSENT  
CERTIFYING SUBMISSION OF MODIFICATIONS TO MODIFIED EIGHTH  
AMENDED PLAN OF ADJUSTMENT FOR THE COMMONWEALTH, ERS, AND PBA**

WHEREAS, on June 30, 2016, the Puerto Rico Oversight, Management, and Economic Stability Act ("PROMESA") was enacted;

WHEREAS, Section 101 of PROMESA created the Financial Oversight and Management Board for Puerto Rico (the "Board");

WHEREAS, on May 3, 2017, the Board issued a restructuring certification pursuant to PROMESA Sections 104(j) and 206 and filed a voluntary petition for relief for the Commonwealth of Puerto Rico (the "Commonwealth") pursuant to section 304(a) of PROMESA, commencing a case under Title III thereof;

WHEREAS, on May 21, 2017, the Board issued a restructuring certification pursuant to PROMESA Sections 104(j) and 206 and filed a voluntary petition for relief for the Employees Retirement System for the Government of the Commonwealth of Puerto Rico ("ERS") pursuant to section 304(a) of PROMESA, commencing a case under Title III thereof;

WHEREAS, on May 9, 2019, the Board certified a fiscal plan for the Commonwealth pursuant to Section 201(e)(2) of PROMESA;

WHEREAS, on September 26, 2019, the Board issued a restructuring certification pursuant to PROMESA Sections 104(j) and 206 and, on September 27, 2019, filed a voluntary petition for relief for the Puerto Rico Public Buildings Authority ("PBA") pursuant to section 304(a) of PROMESA, commencing a case under title III thereof;

WHEREAS, on February 22, 2021, the Board, as representative of the Commonwealth, ERS, and PBA, certain holders of general obligation bond claims ("GO Bondholders"), certain holders of bonds guaranteed by the Commonwealth ("CW Guarantee Bondholders"), and certain holders of bonds issued by PBA ("PBA Bondholders") entered into that certain Plan Support Agreement (as may be modified or amended, the "PSA"), which: (i) resolves certain litigation between the parties; (ii) sets forth the terms of securities to be issued pursuant to the Plan; and (iii) sets forth the agreement of the parties to support the terms of an amended plan of adjustment for the Commonwealth, ERS, and PBA consistent with the terms of the PSA;

WHEREAS, on March 8, 2021, the Board certified for submission the *Second Amended Title III Joint Plan of Adjustment of the Commonwealth of Puerto Rico, et al.* (the “Second Amended Plan”), and filed the Second Amended Plan in the Title III cases for the Commonwealth, ERS, and PBA, which Second Amended Plan contained the material terms set forth in the PSA, and a corresponding disclosure statement;

WHEREAS, on April 2, 2021, the Board, as representative of the Commonwealth, ERS, and PBA, entered into that certain *Amended and Restated Stipulation (A) Allowing Claims of ERS Bondholders, (B) Staying Pending Litigation, and (C) Providing for Treatment of Claims of ERS Bondholders and Dismissing of Pending Litigation Pursuant to a Plan of Adjustment* (the “ERS Stipulation”) with certain holders of bonds issued by ERS (“ERS Bonds”), which (i) resolves certain litigation between the parties; (ii) provides the proposed treatment of ERS Bonds, and (iii) sets forth the agreement of the parties to support the terms of an amended plan of adjustment for ERS consistent with the terms of the ERS Stipulation;

WHEREAS, on May 5, 2021, the Board, as representative of the Commonwealth and the Puerto Rico Highways and Transportation Authority (“HTA”), entered into that certain HTA/CCDA Related Plan Support Agreement (the “HTA/CCDA PSA”) with certain holders of bonds (“HTA Holders”) issued by HTA, certain holders of bonds (“CCDA Holders”) issued by the Puerto Rico Convention Center District Authority (“CCDA”), Assured Guaranty Corp. and Assured Guaranty Municipal Corp., solely in their capacities as insurers, and asserted holders, deemed holders, or subrogees with respect to HTA Bonds and CCDA Bonds, and National Public Finance Guarantee Corporation, solely in its capacity as insurer and asserted holder, deemed holder, or subrogee with respect to HTA Bonds, which: (i) resolves certain litigation among the parties; (ii) set forth the terms of securities to be issued pursuant to the plans of adjustment for the Commonwealth and HTA; and (iii) sets forth the agreement of the parties to support the terms of the plans of adjustment for the Commonwealth and HTA consistent with the terms of the HTA/CCDA PSA;

WHEREAS, on May 11, 2021, after execution of the ERS Stipulation and the HTA/CCDA PSA, the Board certified for submission the *Third Amended Title III Joint Plan of Adjustment of the Commonwealth of Puerto Rico, et al.* (the “Third Amended Plan”), and filed the Third Amended Plan in the Title III cases for the Commonwealth, ERS, and PBA, which Third Amended Plan contained the material terms set forth in the PSA, ERS Stipulation, and the HTA/CCDA PSA, and a corresponding disclosure statement (the “Third Amended Disclosure Statement”);

WHEREAS, on June 29, 2021, the Board certified for submission the *Fourth Amended Title III Joint Plan of Adjustment of the Commonwealth of Puerto Rico, et al.* (the “Fourth Amended Plan”), and filed the Fourth Amended Plan in the Title III cases for the Commonwealth, ERS, and PBA, and a corresponding disclosure statement, both of which incorporate revisions in response to various objections interposed to the Third Amended Disclosure Statement;

WHEREAS, on July 6, 2021, the Board, as representative of the Commonwealth, reached an agreement in principle (the “AFT Agreement in Principle”), subject to final documentation, with the American Federation of Teachers, the Asociacion de Maestros de Puerto Rico, and the Asociacion de Maestros de Puerto Rico-Local Sindical regarding, among other things, the treatment of TRS benefits pursuant to a Commonwealth plan of adjustment;

WHEREAS, on July 12, 2021, to address necessary technical modifications to the PSA, the parties to the PSA agreed to amend and restate the PSA, and entered into that certain *Amended and Restated Plan Support Agreement*, dated as of July 12, 2021;

WHEREAS, on July 12, 2021, the Board, as representative of the Commonwealth, reached an agreement in principal (the “UCC Agreement in Principle” and, together with the AFT Agreement in Principle, the “Agreements in Principle”), subject to final documentation, with the Official Committee of Unsecured Creditors, regarding, among other things, proposed recoveries for classes of general unsecured creditors;

WHEREAS, on July 12, 2021, the Board certified for submission the *Fifth Amended Title III Joint Plan of Adjustment of the Commonwealth of Puerto Rico, et al.* (the “Fifth Amended Plan”), and filed the Fifth Amended Plan in the Title III cases for the Commonwealth, ERS, and PBA, and a corresponding disclosure statement, both of which reflect the Agreements in Principle and amendments to the PSA;

WHEREAS, on July 26, 2021, the Board, as representative of the Commonwealth, entered into that certain PRIFA Related Plan Support Agreement (the “PRIFA PSA”) with certain holders of bonds issued by the Puerto Rico Infrastructure Financing Authority (“PRIFA”), Ambac Assurance Corp., solely in its capacity as insurer and asserted holder, deemed holder, or subrogee with respect to PRIFA Bonds, and Financial Guaranty Insurance Company, solely in its capacity as insurer and asserted holder, deemed holder, or subrogee with respect to PRIFA Bonds, which: (i) resolves certain litigation among the parties; (ii) set forth the terms of securities to be issued pursuant to the plans of adjustment for the Commonwealth and PRIFA; and (iii) sets forth the agreement of the parties to support the terms of the plans of adjustment for the Commonwealth and PRIFA consistent with the terms of the PRIFA PSA;

WHEREAS, on July 12, 2021, the Board certified for submission the *Sixth Amended Title III Joint Plan of Adjustment of the Commonwealth of Puerto Rico, et al.* (the “Sixth Amended Plan”), and filed the Sixth Amended Plan in the Title III cases for the Commonwealth, ERS, and PBA, and a corresponding disclosure statement, both of which reflect the PRIFA PSA;

WHEREAS, on July 30, 2021, the Board certified for submission the *Seventh Amended Title III Joint Plan of Adjustment of the Commonwealth of Puerto Rico, et al.* (the “Seventh Amended Plan”), and filed the Seventh Amended Plan in the Title III cases for the Commonwealth, ERS, and PBA, and a corresponding disclosure statement, both of which reflect further comments from and negotiations with various parties;

WHEREAS, on October 26, 2021, the Governor of the Commonwealth signed into law Act 53-2021 (former House Bill 1003) (“Act 53”), which the Board concluded forms the basis for the issuance of new general obligations bonds as part of the Seventh Amended Plan, subject to appropriate supplements to the proposed confirmation order;

WHEREAS, on July November 3, 2021, the Board certified for submission the *Eighth Amended Title III Joint Plan of Adjustment of the Commonwealth of Puerto Rico, et al.* (the “Eighth Amended Plan”), and filed the Eighth Amended Plan in the Title III cases for the

Commonwealth, ERS, and PBA, which reflects the enactment of Act 53 and further comments and/or objections from and negotiations with various parties;

WHEREAS, on November 7, 2021, the Board certified for submission the *Modified Eighth Amended Title III Joint Plan of Adjustment of the Commonwealth of Puerto Rico, et al.* (the “Modified Eighth Amended Plan”), and filed the Modified Eighth Amended Plan in the Title III cases for the Commonwealth, ERS, and PBA, which reflects further comments from certain parties;

WHEREAS, the Board, through its consultants and attorneys, developed certain clarifying modifications to the Modified Eighth Amended Plan (the “Modifications to Modified Eighth Amended Plan”) that reflects further comments from certain parties;

WHEREAS, Section 104(j)(2) of PROMESA provides that the Board must certify the submission or modification of a plan of adjustment before such action is taken;

WHEREAS, Section 104(j)(3) of PROMESA provides that the Board may certify a plan of adjustment only if it determines, in its sole discretion, that such plan of adjustment is consistent with the applicable certified fiscal plan;

WHEREAS, after substantial deliberations, the Board has determined to certify for submission the Modifications to Modified Eighth Amended Plan which is consistent with the certified fiscal plan for the Commonwealth.

NOW, THEREFORE, IT IS HEREBY RESOLVED THAT that Board certifies for submission, pursuant to Section 104(j) of PROMESA, the Modifications to Modified Eighth Amended Plan as developed by the Board that is consistent with the certified fiscal plan for the Commonwealth, attached hereto at Exhibit 1.

Agreed and authorized as of the date first  
set forth above.



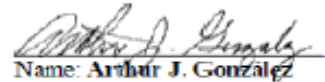
By: \_\_\_\_\_  
Name: **David A. Skeel**  
Title: Chair and Member



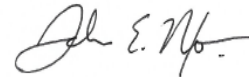
By: \_\_\_\_\_  
Name: **Andrew G. Biggs**  
Title: Member



By: \_\_\_\_\_  
Name: **Antonio L. Medina**  
Title: Member



By: \_\_\_\_\_  
Name: **Arthur J. Gonzalez**  
Title: Member



By: \_\_\_\_\_  
Name: **John E. Nixon**  
Title: Member



By: \_\_\_\_\_  
Name: **Justin M. Peterson**  
Title: Member



By: \_\_\_\_\_  
Name: **Betty A. Rosa**  
Title: Member

**Exhibit 1**

UNITED STATES DISTRICT COURT  
DISTRICT OF PUERTO RICO

In re:

THE FINANCIAL OVERSIGHT AND  
MANAGEMENT BOARD FOR PUERTO RICO,

as representative of

THE COMMONWEALTH OF PUERTO RICO, THE  
EMPLOYEES RETIREMENT SYSTEM OF THE  
GOVERNMENT OF THE COMMONWEALTH OF  
PUERTO RICO, AND THE PUERTO RICO PUBLIC  
BUILDINGS AUTHORITY,

Debtors.

PROMESA

Title III

No. 17 BK 3283-LTS

(Jointly Administered)

**MODIFICATIONS TO MODIFIED EIGHTH AMENDED TITLE III JOINT PLAN OF  
ADJUSTMENT OF THE COMMONWEALTH OF PUERTO RICO, ET AL.**

**PROSKAUER ROSE LLP**

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*Attorneys for the Financial Oversight and Management Board  
as Representative for the Debtors in their Title III Cases*

Dated: November 12, 2021



The Financial Oversight and Management Board for Puerto Rico, as Title III representative of the Commonwealth of Puerto Rico, The Employees Retired System of the Government of the Commonwealth of Puerto Rico, and the Puerto Rico Public Buildings Authority pursuant to Section 315(b) of the *Puerto Rico Oversight, Management and Economic Stability Act*, hereby proposes the following modifications to the Modified Eighth Amended Title III Joint Plan of Adjustment of the Commonwealth of Puerto Rico, et al., dated November 7, 2021 [Case No. 17-03283-LTS, ECF No. 19114] (the “Plan”):

1. **Definitions:** Unless otherwise defined herein capitalized terms used herein shall have the meanings ascribed thereto in the Plan.

2. **Pension Reserve Trust:** Section 1.389 of the Plan, entitled “Pension Reserve Trust”, is hereby amended by adding the words “and which shall not be subject to taxation by the Commonwealth” prior to the period at the conclusion thereof.

3. **Projected Fiscal Plan Surplus:** Section 1.413 of the Plan, entitled “Projected Fiscal Plan Surplus”, shall be amended by deleting the definition set forth therein and inserting the following in lieu thereof:

“1.413 **Projected Fiscal Plan Surplus:** The projected primary unrestricted Fiscal Plan Surplus as set forth in the Fiscal Plan as in effect as of the Effective Date minus the sum of (a) projected CVI payments for such FY and (b) the positive difference, if any, of projected Non-Own Source Revenues minus actual Non-Own Source Revenues for such FY; provided, however, that, in the event of (i) a federally-declared natural disaster, or (ii) a federally – declared pandemic other than the current Covid-19 pandemic in any FY, upon the filing of a motion by the Government of the Commonwealth of Puerto Rico, and upon notice and a hearing, “Projected Fiscal Plan Surplus” shall be reduced by the amount of any actual reduction in revenues for such FY as compared to projected revenues for such FY as set forth in the Fiscal Plan in effect on the Effective Date, whether or not the council acting on behalf of the Pension Reserve Trust agrees to such reduction, in the event that the Title III Court determines, by entry of a Final Order, that the amount of such reduction is directly attributable to such natural disaster or pandemic.”

4. **Related Persons:** Section 1.420 of the Plan, entitled “Related Persons”, is hereby amended by deleting the words “claiming by or through any of them, each in its respective capacity as such” in clause (b) thereof and inserting the words “acting for or on behalf of any of them, including their respective counsel and advisors, in each case, solely to the extent acting in such capacity” in lieu thereof.

5. **Tax Credit Claims:** Section 1.479 of the Plan, entitled “Tax Credit Claims”, is hereby amended by deleting the definition set forth therein and inserting the following in lieu thereof:

“1.479 **Tax Credit Claims:** Collectively, Claims or rights, other than Energy Incentive Claims and Claims related to the payment of personal income taxes,

arising under the Puerto Rico Internal Revenue Code of 2011, as amended, or on economic incentive law, concession, or decree, in each case, resulting in corporate income tax credits, deductions, exemptions, or carry forwards.”

6. **Underwriter Actions:** Section 1.490 of the Plan, entitled “Underwriter Actions”, is hereby amended to delete the words “named in such litigations by or on behalf of the plaintiffs therein concerning the claims or causes of action asserted therein” in the third and fourth lines thereof and to insert the words “concerning or relating to indebtedness or bonds issued by a Debtor, any of the Reorganized Debtors, PREPA, HTA or any other agency or instrumentality of the Commonwealth named in such litigations” in lieu thereof.

7. **Executory Contracts and Unexpired Leases:** Section 76.1 of the Plan, entitled “Rejection or Assumption of Remaining Executory Contracts and Unexplained Leases”, is hereby amended by deleting the first sentence therein and inserting the following in lieu thereof:

“Pursuant to sections 365(b)(2) of the Bankruptcy Code, applicable to the Title III Case pursuant to Section 301 of PROMESA, and subject to the provisions of Section 76.5 and 76.7 hereof, all Executory Contracts and Unexpired Leases that exist between the Debtors and any Entity, and which have not expired by their own terms on or prior to the Effective Date, shall be rejected by the Debtors as of the Effective Date, except for any Executory Contract and Unexpired Lease (a) that has been assumed and assigned or rejected pursuant to an order of the Title III Court entered prior to the Effective Date, (b) that is specifically designated as a contract or lease to be assumed on the schedules to the Plan Supplement, (c) that has been registered with the Office of the Comptroller of Puerto Rico, (d) that has been exempt from registration with the Office of the Comptroller of Puerto Rico Pursuant to 2 L.P.R.A § 97 and regulations promulgated pursuant thereto, (e) that has been approved by the Oversight Board or authorized by the Title III Court, unless specifically designated a contract to be rejected in the Plan Supplement, (f) with the United States, or any of its agencies, departments or agents or pursuant to any federal program, (g) that is an incentive agreement between the Government of the Commonwealth of Puerto Rico and rum producers with respect to rum excise tax “Cover Over” revenues, or (h) by or between any Commonwealth of Puerto Rico agencies, departments, municipalities, public corporations, or instrumentalities (other than leases to which PBA is a party); provided, however, that the Debtors reserve the right to amend, on or prior to the Effective Date, such schedules to delete any Executory Contract and Unexpired Lease therefrom or add any Executory Contract and Unexpired Lease thereto, in which event such Executory Contract(s) and Unexpired Lease(s) shall be deemed to be, as the case may be, either rejected, assumed, or assumed and assigned as of the Effective Date.”

8. Unless otherwise modified herein, the Plan is not amended, modified or supplemented.

Dated: San Juan, Puerto Rico  
November 12, 2021

THE COMMONWEALTH OF PUERTO  
RICO, by and through the Financial Oversight  
and Management Board for Puerto Rico as its  
representative

By: /s/ Natalie A. Jaresko  
Name: Natalie A. Jaresko  
Title: Executive Director

EMPLOYEES RETIREMENT SYSTEM OF  
THE GOVERNMENT OF THE  
COMMONWEALTH OF PUERTO RICO, by  
and through the Financial Oversight and  
Management Board for Puerto Rico as its  
representative

By: /s/ Natalie A. Jaresko  
Name: Natalie A. Jaresko  
Title: Executive Director

PUERTO RICO HIGHWAYS AND  
TRANSPORTATION AUTHORITY, by and  
through the Financial Oversight and  
Management Board for Puerto Rico as its  
representative

By: /s/ Natalie A. Jaresko  
Name: Natalie A. Jaresko  
Title: Executive Director